COCHIN
LEGISLATIVE COUNCIL PROCEEDINGS.

(OFFICIAL REPORT OF THE SECOND BUDGET SESSION OF THE FOURTH COCHIN LEGISLATIVE COUNCIL.)

Vol. III—1111.

COCHIN LEGISLATIVE COUNCIL

Monday,

27th July, 1936.
12th Karkidagam, 1111.

The Council met in the Council Hall, Ernakulam, at Eleven of the Clock with the Hon'ble the President (Sir Shanmukham Chetty, K. C. I. E.) in the Chair.

Messrs. T. S. Balarama Ayyar, M. V. Cherian, K. T. Mathew, Dr. A. R. Menon and Mrs. Meenakshi N. Menon were absent.

Member Sworn.

M. R. Ry., A. L. Devassy Avl., (Officiating Commissioner of Police) made the affirmation of allegiance to His Highness the Maharaja and His Majesty the King Emperor in the manner prescribed.

Opening Speech by the Hon'ble the President

Mr. President.—

HONOURABLE MEMBERS,

It was exactly a year ago on the 29th of July 1935 that I addressed you for the first time and gave some account of the problems that were engaging the attention of Government. The most outstanding question about which I gave a full and complete account is the question of the harbour development. I had given in that speech an account of the genesis of the harbour, the various stages through which the development had proceeded

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and the difficulties which were encountered in the course of the negotiations. An account of the subsequent developments which culminated in the Delhi Conference of 11th November 1935 was given by me in a speech that I delivered in this House on the 9th December 1935. In that speech I had given the main outlines of the final settlement of the question. I have now the pleasure to inform you that all the stages of discussion have passed and the Government of India have consented to declare Cochin a Major Port from the 1st of August 1936. This brings to a successful termination the question that has been pending for a very long time. All the works in connection with the final stages of the harbour development have now been undertaken.

Capital Expenditure on Harbour.

2. In my speech of December 1935 I had given some idea of the financial liabilities involved in the final settlement. In view of the starting of the works we had to decide the ways and means of meeting our financial obligations for the further works. Our commitments may be said to be roughly Rs. 85 lakhs being made up of (a) Rs. 62 lakhs being our share of the capital expenditure for the fourth stage works, (b) Rs. 13 lakhs being our share of the cost of the new dredger required for the harbour and (c) Rs. 10 lakhs being the approximate expenses in connection with the diversion of the railway to the port area. Under the terms of the new agreement the Government of India have kindly undertaken to advance to us approximately Rs. 37 lakhs by way of a long term loan. We have therefore to provide a further sum of Rs. 48 lakhs to enable us to fulfil our obligations. Though this amount is not required at once it was nevertheless thought advisable to make final arrangements for this capital expenditure. We could easily meet this obligation by withdrawals from our cash balance. Our cash balance stands approximately at Rs. 75 lakhs of which about Rs. 10 lakhs represent balances of Municipalities, Devaswoms and other funds. The cash balance of the Government therefore stands at about Rs. 65 lakhs. If we decide to withdraw Rs. 48 lakhs from this balance, the balance will be reduced to about Rs. 17 lakhs and we had to decide whether it would be wise to reduce our cash resources to such a narrow margin. After very careful consideration we came to the conclusion that it would be wise to retain Rs. 45 to Rs. 50 lakhs as the cash balance of Government. Such a balance would ensure perfect safety and place the Government beyond anxiety

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